

**REMARKS**

Prior to entry of this Amendment:

- Claims 1-29 were pending in the present application

Upon entry of this Amendment:

- Claims 30-70 will be pending
- Claims 30, 46, 47, 67, 69 and 70 are independent claims

Claims 30-70 are identical to claims previously pending in U.S. Application No. 09/388,723, to which this application claims priority. A copy of the last Office Action in the above mentioned application, mailed October 22, 2003, is included herewith and to which Applicants will refer below.

**Section 103 Rejections**

In the above mentioned application, Independent Claims 1, 41, 42, 97, 101 and 102, which correspond to Independent Claims 30, 46, 47, 67, 69 and 70 in the instant application, respectively, were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,512,570 issued to Garfinkle (herein "Garfinkle") in view of U.S. Patent No. 6,266,651 issued to Woolston (herein "Woolston") in view of U.S. Patent No. 5,918,213 issued to Bernard (herein "Bernard") and in further view of Official Notice. Applicants respectfully disagree with the Examiner's characterization of the prior art and assert that the present claims are patentable at least for the following reasons:

1. **Prior Art Does Not Teach or Suggest All Claim Features**

None of the prior art, alone or in combination, teaches or suggests the following general claim feature, which is recited by each of the pending independent claims (and thus included in all pending claims):"

- wherein the payment [that is provided from the purchasing system in exchange for providing the product to the buyer] is based on a first price of the product agreed

upon between a retailer and the purchasing system and *is not based on a second price of the product that the buyer agreed to pay*.

Applicants agree with the Examiner that neither Garfinkle nor Woolston “teach that the payment is not based on a price of the product that the buyer agreed to pay.” The Examiner relied on Bernard to teach the above feature, stating that Bernard arguably teaches “an agreed upon contract price between the external vendor and the purchasing system that is not based on a second price agreed to between the buyer and the purchasing system.” However, Applicants respectfully assert that the Examiner’s characterization of Bernard was incorrect.

Specifically, cited portions of Bernard teach:

- “...specials or promotions may be offered at any time in the form of ‘sales’ to shoppers in general...” Column 51, lines 61-62
- “...electronic couponing is implemented as a form of promotion, allowing customers to take advantage of specials sales on certain items.” Column 52, lines 12-14.
- “When placing an order, customer 182 enters the coupon number with his or her order to receiver the special sale.” Column 52, lines 18-20.

As shown by the cited portions, Bernard teaches the use of coupons to provide a discount based on a price that a buyer agrees to pay for goods. However, Bernard, nor any of the other references, alone or in combination, teach:

- wherein the payment [that is provided from the purchasing system in exchange for providing the product to the buyer] is based on a first price of the product agreed upon between a retailer and the purchasing system and *is not based on a second price of the product that the buyer agreed to pay*.

In fact, Bernard teaches away from the present from the teaching of the present application. The system of Bernard requires that the price agreed upon between the retailer and the purchasing system absolutely be based on the price that the buyer agreed to pay. Whether the coupon provided by Bernard provides a flat discount, e.g., \$5 off the item purchase price, or a provides a percentage discount, e.g., 10% of the item purchase

price, the price agreed upon between the retailer and the purchasing system is directly related to the price for the item that the buyer agreed to pay.

2. No Prima Facie Showing of Unpatentability Has Been Made

Applicants also traverse the §103 rejection on the additional grounds that it is improper to rely on Officially Noted subject matter as a basis for this rejection without providing documentation in support of the teaching. Since the subject matter is not the type “capable of instant and unquestionable demonstration as being well known,” Applicants request that proper documentation in support of the Examiner’s assertion that the claim limitation is “old and well known in the art.”

“Prior knowledge in the field of the invention must be supported by tangible teachings of reference materials, and the suggestion to combine references must not be derived by hindsight from knowledge of the invention itself.” Cardiac Pacemakers, Inc. v. St. Jude Medical, Inc., 2004 U.S. App. LEXIS 18386 (Fed. Cir. 2004). “It is never appropriate to rely solely on ‘common knowledge’ in the art without evidentiary support in the record, as the principal evidence upon which a rejection was based. Zurko, 258 F.3d at 1385, 59 USPQ2d at 1697 (“[T]he Board cannot simply reach conclusions based on its own understanding or experience-or on its assessment of what would be basic knowledge or common sense. Rather, the Board must point to some concrete evidence in the record in support of these findings.”). Ordinarily, there must be some form of evidence in the record to support an assertion of common knowledge. See Lee, 277 F.3d at 1344-45, 61 USPQ2d at 1434-35 (Fed. Cir. 2002); Zurko, 258 F.3d at 1386, 59 USPQ2d at 1697 (holding that general conclusions concerning what is “basic knowledge” or “common sense” to one of ordinary skill in the art without specific factual findings and some concrete evidence in the record to support these findings will not support an obviousness rejection).

Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known. As noted by the court in In re Ahlert, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which may be taken by the examiner must be

"capable of such instant and unquestionable demonstration as to defy dispute" (citing In re Knapp Monarch Co., 296 F.2d 230, 132 USPQ 6 (CCPA 1961)). In Ahlert, the court held that the Board properly took judicial notice that "it is old to adjust intensity of a flame in accordance with the heat requirement." MPEP 2144.03; emphasis added.

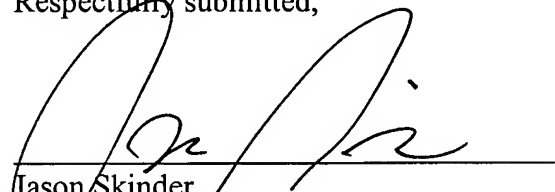
If the Examiner maintains the §103(a) rejection based on the officially noted subject matter in a future office action, Applicants hereby request documentation of the practice that Examiner took Official Notice of, so that Applicants may better understand the metes and bounds of the prior art and be better equipped to distinguish the claimed embodiments therefrom.

### CONCLUSION

For the foregoing reasons it is submitted that all of the claims pending after the amendments made herein are in condition for allowance and the Examiner's early examination is respectfully requested.

If the Examiner has any questions regarding this amendment or the present application, the Examiner is cordially requested to contact Jason Skinder at telephone number 203-461-7017 or via electronic mail at [jskinder@walkerdigital.com](mailto:jskinder@walkerdigital.com).

Respectfully submitted,



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